Senate Bill No. 510

CHAPTER 373

An act to amend Section 66427.5 of the Government Code, relating to land use.

[Approved by Governor September 26, 2013. Filed with Secretary of State September 26, 2013.]

LEGISLATIVE COUNSEL'S DIGEST

SB 510, Jackson. Land use: subdivisions: rental mobilehome park conversion.

The Subdivision Map Act requires a subdivider, at the time of filing a tentative or parcel map for a subdivision to be created from the conversion of a rental mobilehome park to resident ownership, to avoid the economic displacement of all nonpurchasing residents by following specified requirements relating to the conversion. In this regard, existing law requires that the subdivider obtain a survey of support of residents of the mobilehome park for the proposed conversion, that the results of the survey be submitted to the local agency for consideration, as specified, and that the subdivider be subject to a hearing by a legislative body or advisory agency that is authorized to approve, conditionally approve, or disapprove the map.

This bill would specify that the results of the survey are to be considered by the local agency in making its decision to approve, conditionally approve, or disapprove the map. The bill would authorize the local agency to disapprove the map if it finds that the results of the survey have not demonstrated the support of at least a majority of the park's homeowners. The bill would authorize local legislative bodies to, by ordinance or resolution, implement the survey requirements.

The people of the State of California do enact as follows:

SECTION 1. Section 66427.5 of the Government Code is amended to read:

- 66427.5. At the time of filing a tentative or parcel map for a subdivision to be created from the conversion of a rental mobilehome park to resident ownership, the subdivider shall avoid the economic displacement of all nonpurchasing residents in the following manner:
- (a) The subdivider shall offer each existing tenant an option to either purchase his or her condominium or subdivided unit, which is to be created by the conversion of the park to resident ownership, or to continue residency as a tenant.

Ch. 373 -2

- (b) The subdivider shall file a report on the impact of the conversion upon residents of the mobilehome park to be converted to resident owned subdivided interest.
- (c) The subdivider shall make a copy of the report available to each resident of the mobilehome park at least 15 days prior to the hearing on the map by the advisory agency or, if there is no advisory agency, by the legislative body.
- (d) (1) The subdivider shall obtain a survey of support of residents of the mobilehome park for the proposed conversion.
- (2) The survey of support shall be conducted in accordance with an agreement between the subdivider and a resident homeowners' association, if any, that is independent of the subdivider or mobilehome park owner.
 - (3) The survey shall be obtained pursuant to a written ballot.
- (4) The survey shall be conducted so that each occupied mobilehome space has one vote.
- (5) The results of the survey shall be submitted to the local agency upon the filing of the tentative or parcel map, to be considered in the agency's decision as to whether to approve, conditionally approve, or disapprove the map, and the agency may disapprove the map if it finds that the results of the survey have not demonstrated the support of at least a majority of the park's homeowners.
- (6) Local legislative bodies may, by ordinance or resolution, implement the requirements of this subdivision.
- (e) The subdivider shall be subject to a hearing by a legislative body or advisory agency, which is authorized by local ordinance to approve, conditionally approve, or disapprove the map. The scope of the hearing shall be limited to the issue of compliance with this section.
- (f) The subdivider shall be required to avoid the economic displacement of all nonpurchasing residents in accordance with the following:
- (1) As to nonpurchasing residents who are not lower income households, as defined in Section 50079.5 of the Health and Safety Code, the monthly rent, including any applicable fees or charges for use of any preconversion amenities, may increase from the preconversion rent to market levels, as defined in an appraisal conducted in accordance with nationally recognized professional appraisal standards, in equal annual increases over a four-year period.
- (2) As to nonpurchasing residents who are lower income households, as defined in Section 50079.5 of the Health and Safety Code, the monthly rent, including any applicable fees or charges for use of any preconversion amenities, may increase from the preconversion rent by an amount equal to the average monthly increase in rent in the four years immediately preceding the conversion, except that in no event shall the monthly rent be increased by an amount greater than the average monthly percentage increase in the Consumer Price Index for the most recently reported period.